

August 24, 2009

Mr. Barry Wood
Department of Local Government Finance
Indiana Government Center North
100 N. Senate Avenue N 1058
Indianapolis, IN 46204

Re: Kosciusko County 2009 pay 2010 Ratio Study Report

Mr. Wood:

Residential Improved and Vacant:

2008 data showed a decrease in the number of sales (compared to the combined data of 2006 and 2007) and while prior years each township was trended individually, this year we have crossed township lines and combined areas to give us adequate sales data to trend property in Kosciusko County.

Throughout the year we have utilized Kosciusko MLS sales and listing information, visual inspections of properties, sales disclosures and tax appeal information to identify problems and omissions and made corrections to our data, so that we were looking at accurate trending information. Ratio studies were then run on all neighborhoods using valid sales from January 1 through December 31, 2008, and the information was compiled into larger "neighborhoods". 2007 sales data was included in a few areas where sales were very limited.

We have also looked at foreclosure and Sheriff's sales in each neighborhood and found that their impact in 2008 sales (while present) was not prevalent.

Industrial Improved and Vacant:

Due to the lack of 2008 sales, the 2007 sales were included in our trending. A regression analysis was completed to check for "time trending" of the 2007 sales. To attain a large enough sampling of sales, 2006, 2007, and 2008 sales were included in the regressing analysis (see PDF file). All of the improved industrial sales, county-wide, were combined and analyzed in one Trending Study with no "time trending" adjustments to the 2007 sales. The same was done to the Industrial Vacant - all of the vacant sales were analyzed in one Trending Study. Vacant sales showed an upward trend of 102%. When this was applied to the

land and the new total value compared to the sales price, the trending factor for Industrial Improved showed a downward movement of 97%.

Commercial Vacant Sales:

These sales were combined into one trending area for the entire county.

Commercial Improved Sales:

Due to a lack of sales, the entire county was trended as one area and included both 2008 and 2007 sales. A regression analysis was completed for the 2007 sales to check for time adjusting (see PDF file). The commercial trending showed a 100% factor with no "time trending" adjustments to the 2007 sales.

Apartments Sales:

Apartments were trended in one study, they showed 100% factor – no change

(All Commercial Improved and Apartment sales are one Ratio Sheet)

Industrial and Commercial Overall:

All sales that were bank sales and family sales were removed. There were several sales that caused a change in the use of the parcel – either from commercial to industrial (or vice versa), or from residential to either commercial or industrial (or vice versa).

Condominiums

There were not enough 2007 or 2008 sales to accurately make a change in condominiums. The condos are too diversified to combine into one study.

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